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From: Beth Ericksen
To: tharrison@pseutah.com
Date: 01/25/2007 11:48:47 AM
Subject: Re: Surety Bond for White Mountain Site

Hi Tom-

The letter was for small mine bonding requirements that must be met as a result of a change in State regulations.

Here's an outline of what is required:

1. Immediately contact Mr. Daron Haddock, daronhaddock@utah.gov or by letter and request an extension to submit the surety and/or update the Notice (NOI). In the email or letter addressed to Mr. Haddock, please advise you are currently working on the surety approval effort and any other requirements associated with the NOI (See below #2). Please indicate a date you expect completion.
2. In order to obtain Division approval for the cash in the amount of 4900 submitted to the BLM, A reclamation contract must be completed. **I will not provide the reclamation contract information until there is clarification regarding the company name. Utah Clay Technology Inc.** It is not registered with the UTAH Division of Corps. As a result, the company can't enter into a contractual agreement with the state. They must take the following action:
 - a. Register the company name with the state or provide a valid Div of Corp issued entity number to the Division, attn Beth Ericksen
 - b. Change the name of the permittee, by contacting Tom Munson (see below). There are several requirements, and it may or may not be as easy as submitting the documents identifying the company who should be named as the permittee
 - c. request a permit name change from current company name to individual name

Once I know what action will be taken, I will then send the reclamation contract. This action must be taken immediately.

In the meantime, email Tom Munson, tommunson@utah.gov and ask him to review the NOI and provide you with the information necessary to update it. Or, he may advise that no updates are required and the surety amount that is posted with the BLM is adequate. Mention to him the permittee name must change (or again provide the Div with information that the company is registered with DOC) **It is unlikely Mr. Haddock will approve the extension request unless you are actively working on these requirements.**

3. In order to proceed, the company name information must be resolved. Please direct your immediate attention to this matter.

If you have questions or require discussion, please contact me.

Beth Ericksen
State of Utah

>>> "Tom Harrison" <tharrison@pseutah.com> 01/25/2007 10:41 AM >>>
Dear Ms. Ericksen -

My associate, Dennis Engh, received a letter dated Nov. 20, 2006 about posting a reclamation surety bond. We are assuming that this is in reference to a site that Utah Clay Technology has in the White Mountain area in Beaver County. Utah Clay has a bond with the Cedar City office of the

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BLM for this site. We work with Ed Ginouves for this bond.

I have a call in to Tom Munson but I haven't heard back from him yet. What do we have to do to comply with the Nov. 20th letter?

Thanks for your help.

Tom Harrison

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